## FOR IMMEDIATE RELEASE

## COLORADO SELECTED FOR NATIONAL INITIATIVE TO STRENGTHEN MEDICAID PRIMARY CARE PAYMENT STRATEGIES

August 25, 2011

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Initiative will assist six states in implementing and leveraging the upcoming primary care payment increase to drive improvements in quality, access, and payment system reform.

DENVER - August 25, 2011 – The Department of Health Care Policy and Financing announced today that Colorado is one of six states chosen nationally to participate in *Leveraging the Medicaid Primary Care Rate Increase*, a new initiative directed by the Center for Health Care Strategies (CHCS) and supported by the Commonwealth Fund (CMWF). The initiative will work with Medicaid agencies and health plans from the six states and the Centers for Medicare & Medicaid Services (CMS) on the implementation of the Medicaid primary care rate increase mandated under health care reform.

As part of the initiative, Colorado was competitively selected to participate in a Rapid Learning Group along with five additional states – Arkansas, Minnesota, New York, Oregon, and Rhode Island – and CMS to review policies, programmatic approaches, and technical solutions to the operational challenges of implementing the payment increase.

"Primary care is essential for improving and maintaining the health of our clients," states Judy Zerzan, Medicaid chief medical officer. "This initiative is a stepping stone for payment reform – paying for quality care as opposed to volume."

With the recent passage of the Affordable Care Act (ACA), Medicaid will expand significantly starting in 2014 and cover an additional 16-20 million people – likely straining its already over-burdened primary care system. The ACA aims to strengthen the Medicaid primary care network by requiring that Medicaid reimburse primary care providers (PCPs) at parity with Medicare rates for 2013 and 2014. States will receive a 100 percent federal match for their incremental rate increases in these two years.

The rate increase represents a critical opportunity for Medicaid, which has long reimbursed physicians at a lower rate than private payers and Medicare. "This increase, which will infuse up to \$8.3 billion into Medicaid primary care, opens the door for states to improve both access and quality for beneficiaries," says Nikki Highsmith, Senior Vice President for Program at CHCS. "States can also use the increase to implement advanced primary care payment models, laying the foundation for longer-term changes that will strengthen the Medicaid primary care network going forward."

For more information about the *Leveraging the Medicaid Primary Care Rate Increase* initiative, visit www.chcs.org.

About the Colorado Department of Health Care Policy and Financing: The department administers the Medicaid and Child Health Plan *Plus* programs as well as a variety of other programs for Colorado's low-income families, children, pregnant women, the elderly and people with disabilities. The mission of the department is to improve access to cost-effective, quality health care services for Coloradans. For more information about the department, please visit Colorado.gov/hcpf.

## **About the Commonwealth Fund**

The Commonwealth Fund is a private foundation that aims to promote a high performing health care system that achieves better access, improved quality, and greater efficiency, particularly for society's most vulnerable, including low-income people, the uninsured, minority Americans, young children, and elderly adults. The Fund carries out this mandate by supporting independent research on health care issues and making grants to improve health care practice and policy.

## **About the Center for Health Care Strategies**

The Center for Health Care Strategies (CHCS) is a nonprofit health policy resource center dedicated to improving health care quality for low-income Americans. CHCS works with state and federal agencies, health plans, providers, and consumer groups to develop innovative programs that better serve people with complex and high-cost health care needs. Its program priorities are: enhancing access to coverage and services; improving quality and reducing racial and ethnic disparities; integrating care for people with complex and special needs; and building Medicaid leadership and capacity.